

negotiation
FI-5777

No. 64-111

23 November 1964

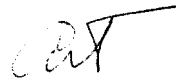
Dear Joe:

STATINTL You will recall the questions raised by [REDACTED] regarding
a shutter which was to be refurbished under subcontract 100-72.

STATINTL I have recieved a letter from [REDACTED] setting forth the
subcontractor's contention regarding this matter and forward a copy
of it herewith.

Would appreciate your reviewing this matter with Maury and letting
me know if you agree with it.

Very truly yours,


Art

Attachment: a/s

NEG13 November 1964
Refer: SD-731

25X1A

To: 

Dear Art:

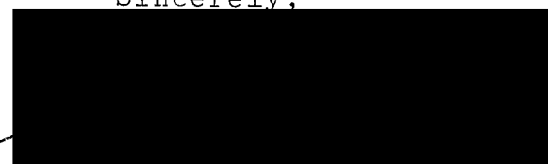
I have reviewed the details contributing to the mixup on the shipment of Shutter S/N 107, which was to be refurbished under Subcontract 100-72 and was shipped with Camera S/N A23.

This unit was inadvertently shipped as a test shutter with S/N A23, in addition to four (4) each terrain and stellar shutter assemblies, refurbished at Fairchild for the purpose of in-house lab testing both at Syosset and the A/P facility. These eight (8) shutters were part of the residual inventory transferred to Contract FI-5777 and were refurbished within the scope of the contract. In addition, four (4) each terrain and stellar shutters representing the flight items were shipped under separate cover to A/P for installation in the subsystems just prior to flight at the completion of systems tests both at A/P and the base. Four (4) additional terrain and stellar units covered under the contract were shipped as spare parts to the A/P facility for retention.

Therefore, to satisfy the requirements of Subcontract 100-72, it is felt that one of the eight refurbished shutters shipped to the A/P facility for testing purposes would account for the one item still remaining open under the subcontract inasmuch as the refurbishing effort expended on these eight units was not covered under the contract as deliverable items.

As you can readily see, this was where the mixup in shipment occurred, whereby S/N 107 was installed on Camera A23 and shipped with the unit. In view of the above, it is Fairchild's contention that no credit would be in order to the contract under these circumstances.

Sincerely,



Manager, Special Projects

STATINTL

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